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**EXCERPT OF MINUTE OF MEETING OF HOUSING AND SOCIAL WORK SERVICES COMMITTEE
HELD ON 26 JANUARY 2012**

FORMER TENANT ARREARS WRITE-OFF TO 31 MARCH 2010

31. There was submitted a report (docketed) dated 19 December 2011 by the Head of Housing and Social Work Resources (1) proposing that a sum of £668,376, being the current balance outstanding in respect of Former Tenant Arrears prior to 31 March 2010 which was considered irrecoverable be written off; (2) intimating that the write-off could be offset against the provision held in the Council's balance sheet as at 31 March 2011, and (3) advising that, if possible and practicable, efforts would continue to secure payment of outstanding rent balances from former tenants.

Decided:

- (1) that the write-off of Former Tenant Arrears totalling £668,376, in relation to the period ending 31 March 2010, be approved;
- (2) that the report be remitted to the Policy and Resources (Finance and Customer Services) Sub-Committee for consideration, and
- (3) that otherwise the terms of the report be noted.

NORTH LANARKSHIRE COUNCIL

REPORT

To: HOUSING AND SOCIAL WORK SERVICES COMMITTEE	Subject: FORMER TENANT ARREARS WRITE OFF TO 31 MARCH 2010	
From: HEAD OF HOUSING AND SOCIAL WORK RESOURCES		
Date: 26 JANUARY 2012	Ref: RP/UC/DS	

1. Introduction

This report seeks approval to write off the sum of £668,376 relating to Former Tenant Rent Arrears prior to 31 March 2010, which are considered irrecoverable.

2. Executive Summary of Financial Position

2.1 In bringing forward this report, the Council should be aware of the proactive measures that are being taken to collect rental income. The 2010/11 Statutory Performance Indicators collated by Audit Scotland identify North Lanarkshire Council's Housing Service as one of only 18 of 26 Scottish local authorities to meet set rent arrears targets. The Service's figure of 3.5% was well below the Scottish Average of 5.9%. This level of write off should therefore be viewed in the context of the Council's overall performance.

2.2 Although the above sums will be written-off through the Council's final accounts, Committee should note that, where possible and practicable efforts will continue to secure payment of outstanding rent balances from former tenants. This will involve the pursuit of debts in a formalised manner, using staff from within the service, Sheriff Officers and other external debt agencies, incorporating a variety of legal options available.

2.3 The arrears write-off is made up as follows:

Reasons	No of Cases	%	Amount £	%
Abandoned	97	8.2%	69,367	10.4%
Eviction	70	5.9%	76,123	11.4%
Deceased	350	29.5%	64,869	9.7%
No Forwarding Address	374	31.5%	205,369	30.7%
Recovery Exhausted	764	64.4%	276,591	41.4%
Credit Balances	(469)	(39.5%)	(23,943)	(3.6%)
Totals	1,186	100%	668,376	100%

- 2.4 When compared to the total annual rental income of £101m, the write-off sum of £668,376 equates to only 0.66% in overall terms.
- 2.5 The above write off can be offset against provision held within the Council's Balance Sheet at 31 March 2011.

3. Recommendations

It is recommended that Committee:

- a) Approves the write off of Former Tenant Arrears totalling £668,376 in relation to the period ending 31 March 2010; and
- b) Refers the report to the Policy and Resources (Finance and Customer Services) Sub Committee for approval.



R Paul
Head of Housing and Social Work Resources
19 December 2011

For further information on this report please contact David Shaw on telephone 01698 332776.